

Solution-71

JOURNAL

Date	Particulars	L.F.	Dr Amount (₹)	Cr Amount (₹)
2025 Mar 31	Shrishti's Capital A/c Dr To Mannu's Capital A/c (Being adjustment entry for correcting appropriations and its effect of divisible profits)		2,880	2,880

	Mannu	Shrishti
Capital as at 31-03-2025	3,00,000	1,00,000
Less:		
Profit for the year	(30,000)	(20,000)
Capital as at 31-03-2024	2,70,000	80,000
Interest on Capital @ 5%	13,500 Cr	4,000 Cr
Interest on Drawings @ 6%	1200 Dr	600 Dr
Effect on divisible profits	9,420 Dr	6,280 Dr
Net Effect	2,880 Cr	2,880 Dr